

# FOREIGN POLICY BULLETIN

*An analysis of current international events*



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## North Atlantic Pact Marks Innovation In U.S. Policy

WASHINGTON—The statement on "Building the Peace," which the State Department issued on January 14 to encourage public discussion of the proposed North Atlantic treaty after months of bewildering official secrecy, reveals that some segments of the Administration place particular stress on the need for armed alliances as insurance of peace.

"If world recovery is to progress, the sense of security must be restored," the statement declared. "The United States must supply much of the military equipment which the countries working for recovery cannot produce themselves." President Truman glossed this matter over in his address on the State of the Union of January 5 and his budget message of January 10, but Secretary of Defense Forrestal said in his first annual report at the beginning of the year that a military aid program "in modest proportions" would add "another stone in the structure of European recovery." One purpose of the treaty, according to the State Department, is to provide the basis for methodical distribution of arms and to develop "a successful program of integrated defense." With such aims in view, representatives of the United States, Canada, and the five signatories of the Brussels treaty of last March 17, Britain, France, Belgium, the Netherlands and Luxembourg, have been negotiating in Washington since early in December for a North American-European defense alliance.

### Regionalism Within the U.N.

The State Department justifies the proposed treaty as a bulwark of the United

Nations. It cites Article 51 of the UN Charter—"nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a member of the United Nations"—and Article 52—

### 30th Anniversary of FPA

The dinner commemorating the 30th Anniversary of FPA has been postponed for reasons beyond our control. It is expected that the new date will be announced soon.

"nothing . . . precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action . . . consistent with the purposes and principles of the United Nations." The Brussels pact and the Inter-American Defense treaty both depend on these two articles, but the argument that the proposed treaty can actually safeguard the UN ranges beyond the premises underlying these earlier documents.

"The end result, if not the aim, of the Soviet program," the State Department declares, "has been to weaken the effectiveness of the UN and to shake the confidence of many people in it as an instrument of peace." "The resultant widespread fear and uncertainty have created a situation in which forward-looking governments have begun to seek additional means of preserving the peace

in keeping with the principles of the UN Charter." This argument represents an attempt to integrate the various approaches developed by the United States during the past four years to deal with Moscow in the UN and to "contain" the U.S.S.R. by programs executed outside the UN, mainly through the Truman Doctrine and the European Recovery Program.

### A New Step in U.S. Policy

The proposed treaty is a major development in American history. It recommends the participation of the United States in a permanent alliance with nations across the Atlantic Ocean, whereas in the past this country has endeavored to stay out of all but temporary alliances, with the single exception of the recent Inter-American Defense treaty, and has given guarantees of assistance in case of invasion only to the American Republics and Canada.

The State Department inferred that the American public is ready for change from the action of the Senate on June 11 in approving, 64 to 4, Senate Joint Resolution 239 (the Vandenberg Resolution) which recommended "progressive development of regional and other collective arrangements for individual and collective self-defense in accordance with the purposes, principles and provisions of the Charter" and "association of the United States by Constitutional process with such regional and other collective arrangements as are based on continuous and effective self-help and mutual aid, and as affect its national security." Before the Senate had accepted the resolution, President

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Truman, in a special message to Congress on March 17, identified the security of the United States with the security of European "free peoples," meaning European nations lying outside the orbit of Soviet influence, as a sound reason of self-interest for American military assistance to trans-Atlantic nations in time of peace. To that argument the State Department now adds the assertion that "because of its preponderant strength, support by the United States" for regional defense alliances in Europe "is essential." A year ago the Administration concentrated on the development of the United States armed forces. Now it envisages a distribution of military power among many nations.

### ***Hurdles Ahead***

Negotiation of the treaty along the lines generally described by the State Department will not prove easy. From the point of view of the potential overseas members of the alliance, the degree of guarantee of military assistance the United States is able to give is insufficient. Inhibited by the American constitution, which gives

Congress the power to declare war, the United States can make a commitment to consult but not to fight. The geographic scope of membership in the pact is also uncertain. Strategically Italy should be included, but it is not a member of the United Nations. Norway, Sweden and Denmark have agreed to form a regional Scandinavian arrangement and to seek arms from this country without participating in any North Atlantic alliance, but this decision violates the principle of unity of Western action which the United States has tried to promote first through the ERP and now, potentially, through the arms program. Turkey last summer proposed a regional defense arrangement between the United States and the Mediterranean powers, was discouraged by Washington, and countered with a proposal for a bilateral American-Turkish assistance treaty, which the United States is not likely to accept.

As for the United States itself, the reluctance of Congress to appropriate the total amount of the President's 1949 budget, \$41 billion, makes uncertain the reception of any Administration request

for an additional sum to purchase arms and give them to friendly nations in Europe. Two leading potential recipients of American armaments, Britain and the Netherlands, have so irritated some members of Congress by their policies toward Israel and the Indonesian Republic, that it may be recommended that the United States at least retain the right to determine under what circumstances Europeans would be permitted to use their American arms. Moreover, the strong anti-Soviet character of the argument officially advanced for the treaty appears to be out of line with President Truman's frequently announced belief that it is possible to have a peaceful relationship, free of tension, between the United States and Russia. The retirement on January 20 of Robert A. Lovett as Under-Secretary of State removes from the official scene the principal American participant in the Atlantic alliance conversations held to date. Secretary of State Acheson and Under-Secretary Webb will be in a position, if they wish, to review the actions projected by their predecessors.

BLAIR BOLLES

## ***U.S. Firm On Indonesia As Asians Meet In New Delhi***

The convening of an Asian conference in New Delhi on January 20, and continued Communist successes in China, have increased the global significance of the Indonesian dispute, despite the fact that the Netherlands, which undertook its "police action" against the Republic of Indonesia beginning December 19, insists that the controversy is a domestic dispute outside the jurisdiction of the United Nations.

### ***United States Reaction***

The most significant aspect of the situation is the general denunciation of the Dutch policy, spearheaded by the reports of the UN Committee of Good Offices, and reinforced by a strong American position. This position was taken by Ambassador Philip C. Jessup, United States representative in the UN, on December 22 in Paris, and was reaffirmed on January 11 at Lake Success when he condemned the Dutch for failing to comply with the Security Council's resolution of December 24 calling for a cease-fire and release of Republican officials. Dr. Jessup went on to say that only if the leaders of the Indonesian Republic were restored to power could they negotiate freely for a solution based on the proposal made by the United States through the UN

Committee of Good Offices on September 10, 1948. This proposal, which had been accepted by both sides as a basis for negotiation, called for elections throughout Indonesia to an assembly which would frame a constitution and act as a provisional government. Dr. Jessup also stated that these elections and the complete transfer of sovereignty should take place in a matter of months rather than years.

These general principles were given more specific form in a working paper circulated by the United States delegation on January 14 proposing re-establishment of the Republican government at Jogjakarta; progressive withdrawal of Dutch troops, first to the Renville truce agreement lines, and later from all of Java, Madura and Sumatra; creation of a UN Commission (the Good Offices Committee acting by majority instead of unanimity rule); general elections by October 1949; and complete sovereignty for the United States of Indonesia by April 1950. The Republic should be consulted at all stages of this process.

The Netherlands delegate to the UN, Dr. J. H. van Royen, replied on January 14 that his government would not comply with any order for withdrawal of

Dutch troops and could not release any Republican leaders while they might "endanger public security." At the same time he stated that negotiations were under way for a solution of the problem which would include establishment of a federal interim government in one month, general elections to be held by the third quarter of 1949 with UN observers invited; and the elected body subsequently to draw up a constitution and arrange with the Dutch for the establishment of a Netherlands-Indonesian Union. Final transfer of sovereignty would then take place probably in 1950, by June 1 of that year if possible. This general plan had been previously announced by Queen Juliana in a radio address on January 6.

Despite a superficial similarity between the Dutch and American proposals, deep divergences exist. Thus Dr. van Royen failed to mention the role in the negotiations that the Indonesian Republic would play. This difference was underlined in an agreement reached on January 14 between the Dutch Premier, Dr. Willem Drees, the High Commissioner Louis J. M. Beel and the heads of the non-Republican states in Indonesia. Among other points, this accord provided that "prominent persons from those territories not

yet organized" must be consulted. This appears to reflect both the eagerness of non-Republican leaders to gain the support of the Republican officials, and the Dutch desire to rearrange former Republican areas in such a way as to prevent the emergence of a power center relatively stronger than other federal states.

### ***Dutch Policy***

The objective of keeping down communism, announced by the Dutch as a major reason for their "police action," may not, in practice, be best served by military force. Despite the fact that the Republican government had fairly successfully suppressed the Communist revolt of September 18, the Dutch charged that by releasing Tan Malaka, alleged Trotskyist leader, the Republic was actually abetting communism. Nevertheless, the necessity for keeping Republican troops concentrated at the borders in the face of imminent Dutch attack was one factor in preventing Jogjakarta from wiping out remaining pockets of Communist resistance in the mountains. Dutch trade restrictions, moreover, ag-

gravated the economic distress which greatly aided the task of Communist agitators. Ironically the Dutch, in taking the capital city, seized the moderate Republican leaders, but failed to take into custody Amir Sjarifuddin who was in prison awaiting trial. This former Premier, one of the most dynamic and competent Indonesian leaders, had taken a leading role in the Communist revolt and is now free to aid in uniting nationalist and Communist forces in guerrilla action against the Dutch.

The Dutch position is further complicated by an internal dispute over the policy to be followed in Indonesia. A *New York Times* dispatch from The Hague on January 9 claimed that Catholic statesmen, including High Commissioner Beel and the Minister for Overseas Territories, Emanuel Sassen, were influenced by the Vatican point of view that the Republic was a hotbed of communism. A contrasting attitude was expressed by Premier Drees, member of the important Labor party, who asserted on the eve of his departure for Batavia on January 6 that he would establish contact with the

former Republican leaders and invite them to participate in the planned interim government.

For the United States the developments in the Indonesian dispute suggest the advisability of abandoning military force as a major instrument for curbing communism in Asia and, instead, of formulating a positive political and ideological program aimed at winning the support of the native peoples.

This lesson, which has been learned at such great cost in China, will receive an important test in the Asian conference at New Delhi which began on January 20. On January 13 Sir Girja Shankar Bajpai, secretary general of the Indian External Affairs Ministry, announced that the conference would not be anti-American, anti-European, or anti-Western. His statement was believed in some quarters to be the fruit of American diplomatic representations. If true, this would be further evidence of increased sensitivity in the State Department to the importance of keeping the support of Asian public opinion.

FRED W. RIGGS

## ***Observer Finds Cominform Split Strengthens Tito***

A 2,000-mile trip by jeep through Yugoslav towns and villages in the summer and autumn of 1948, with no escort or unneeded interpreter, leaves an observer with the following impressions:

1. The standard of living—that is, food and housing, not so much clothing—has risen in the villages compared with 1945 but has declined in the cities. For this there are numerous reasons. One of them is the ubiquitous and perennial peasant hoarding; another is the necessity under which Marshal Tito finds himself of catering to the peasants. The principal reason, however, is the inefficient Communist system of goods distribution between the village and the city. Yet, as the peasants constitute three-fourths of the population, the over-all estimate is that the standard of living of the Yugoslav nation has on the whole risen as compared with conditions existing at the end of the war.

2. Tito's stand against the accusations of the Cominform last summer strengthened him not only within the Yugoslav Communist party, but also among the majority of Yugoslav non-Communists. If the Kremlin and the Cominform had attacked Tito solely for an allegedly errone-

ous execution of Marxist doctrine, he would have accepted the criticism. But his National Liberation War was scorned as an "adventure." Leaders of Communist parties in former enemy countries—Bulgaria, Rumania, Hungary and Albania—claimed to have done no less than Tito against the Axis, although they had spent the war in the relative comfort of Moscow, and had come to power in their respective countries on Russian planes flying behind, not ahead of, the Red Army. This was considered an insult not only to Yugoslav Communist honor, but also to the honor of the Yugoslav nation.

3. That one can get from the Yugoslavs almost everything by good will, and almost nothing by ultimatums, has been clear since 1914. The fact that the Russians should make the mistakes of Habsburg Emperor Franz Joseph and Nazi Fuehrer Hitler is dismal proof of how inadequately the great powers are informed by their intelligence services about the Yugoslav temperament, under any Yugoslav regime at any time. Responsible British and American observers now fear that the Russians, who clearly proved unable to evaluate obvious popular reactions in a Slav and Communist country like

Yugoslavia, will be even less capable of gauging Anglo-American opinion.

4. Tito's conflict with the Kremlin and the Cominform began in 1946, with the first project of the Yugoslav Five-Year plan. This plan had three main objectives: (a) the nationalization of industry which, before the war, was 48 per cent foreign-owned and then yielded less than one-half of the Yugoslav national income; (b) an increase of state industrialization to find an outlet for the growing peasant population and create a broader base for a Marxist government by enlarging the number of industrial workers (before the war, out of 16 million Yugoslavs, 12 million were peasants, and 600,000 industrial workers); (c) the transformation of Yugoslavia from a country which exports foods and raw materials at the expense of tightened belts among the population into a country with adequate equipment for the production of manufactured goods.

5. The pre-1939 economic system of Yugoslavia offered little hope of raising the standard of living. Neither does the system proposed by Moscow. According to the Soviet economic bloc system, proclaimed in 1947 after announcement of



the Marshall plan, only Czechoslovakia and Poland were to retain and expand their industries. The other five satellites were to continue to export food and raw materials to Russia and the Eastern bloc. But by that time Tito was already well advanced on his Five-Year plan; he could not back out.

6. Tito has to compromise with the peasants—not only because they constitute a huge majority of the Yugoslav population, and are highly individualistic, but also because the peasants, not the workers or intellectuals, made up almost 100 per cent of his war-time Partisan army.

7. It can be predicted that Tito will make trade agreements with the West (of which he has already been assured by both Britain and the United States), but will not join the Marshall plan. In foreign policy and in the United Nations, he will probably follow the line of the Soviet Union.

8. Yugoslavia has many important items of export to offer to Western nations. It is the second largest European exporter of timber, Finland ranking first; has the most important copper mines on the continent, at Bor (French-owned before 1939); has resources of zinc in the Trepcja mines (British-owned before 1939), as well as lead; and is one of two European exporters of bauxite.

9. The Russians have got themselves into a blind alley in Yugoslavia. There is nothing the Russians can do to Tito, short of economic sanctions. The British and the Americans will help Tito commercially, but not too much, knowing that he is after all a Communist.

10. Titoism, that is, national communism, is an unforeseen phenomenon of international Marxism. Possibly the Kremlin will have the same problem on its hands with the Chinese Communists if the followers of Mao Tse-tung should defeat Chiang Kai-shek.

#### STOYAN PRIBICHEVICH

(Stoyan Pribichevich, an American citizen by naturalization, was born in Yugoslavia and holds an LL.D. degree from the University of Belgrade. He was a member of the staff of *Time*, *Life* and *Fortune* from 1940 to 1945, and served as war correspondent in Yugoslavia, which he revisited in the summer and autumn of 1948. He is the author of the *FPA Headline Book*, "Spotlight on the Balkans," and is now writing a book on East-West relations.)

## News in the Making

The Nanking government, faced with a hard choice between suing for peace or evacuating the capital following Communist occupation of Tientsin on January 15, is studying the peace terms of the Communist leader, Mao Tse-tung, announced on January 14. These terms include punishment of "war criminals," abrogation of the constitution, confiscation of capital owned by government officials, agrarian reform, abrogation of "treaties of national betrayal," and convocation of a Political Consultative Conference without "reactionary elements" to set up a coalition government and take over all power. . . . *Racial tensions in South Africa*, fanned by the racial discrimination program of Dr. Malan's Nationalist government, broke into open violence between natives and Indians (99 per cent of whom are South African nationals) in Durban on January 13, subsequently spreading to Johannesburg. . . . The growing financial responsibility assumed by the United States in world affairs is revealed by a breakdown of President Truman's proposed 1949 budget, in which \$22.6 billion out of a total of \$41.9 billion is allocated for foreign aid (\$6.7 billion) and for a record peace-time national defense program (\$15.9 billion). . . . *The Norwegian government* has presented a note to the Department of State protesting that it cannot obtain in the United States all the steel that the ECA authorizes it to purchase. The scarcity of steel plates in this country for reconstruction abroad has swung some European governments around to support ECA Administrator Paul G. Hoffman's campaign to prevent the dismantling of German plants for reparations purposes. They hope to obtain steel from those plants. . . . The reported revival of German nationalism lends particular significance to the announcement on January 17 of details concerning the tripartite *Military Security Board* for the western zones of Germany set up in accordance with the London agreement of June 1, 1948, in order to ensure the maintenance of disarmament and demilitarization.

## Branch & Affiliate Meetings

PITTSBURGH, January 25, *Report on UN Meetings at Paris*, Walter Kerr  
PHILADELPHIA, January 27, *International Chain Reactions*, Joseph C. Harsch, Allen W. Dulles  
SAN FRANCISCO, January 27, *What is U.S. Policy in the Far East?*, Kilsoo Haan  
MILWAUKEE, January 28, *Where is our Russian Policy Leading?*, Herman Finer, Frederick L. Schuman  
CLEVELAND, January 28-29, Annual Institute, *The Conflict in the Modern World*  
BOSTON, February 2, *A Look Behind the Iron Curtain*  
WORCESTER, February 2, *American Policy in East Asia*, Nathaniel Peffer, Shannon McCune  
BUFFALO, February 4, *Britain: Key to European Recovery*, W. J. Hinton

## North Atlantic Pact

In response to many requests from various national organizations for material on the proposed NORTH ATLANTIC PACT, the Foreign Policy Association has decided to publish a *Foreign Policy Report* analyzing the background and pros and cons of the pact. This report, prepared by Blair Bolles and Vera Micheles Dean, will be published on February 15. PLACE YOUR ORDERS NOW to be sure of obtaining a copy.

25 cents each

Subscription \$5; to FPA members, \$4.

Special discounts on large orders.

*Economic Security and Individual Freedom*, by Albert Lauterbach. Ithaca, Cornell University Press, 1948. \$2.50

The chairman of the social science faculty at Sarah Lawrence College discusses the issues of economic planning and individual freedom and concludes that they are not mutually exclusive. This is a well-reasoned presentation of the case for the "middle way."

*Historical Sociology: Its Origins and Development*, by Harry Elmer Barnes. New York, Philosophical Library, 1948. \$3.00

A slim but lucid volume summarizing some of the systematic attempts to find social laws in the unfolding of history, together with the author's own brief, provocative diagnosis of our times. Barnes is highly critical of Spengler, Sorokin, and Toynbee, contending that there does not yet exist a complete and monumental history of human society.

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